



MANAGEMENT LETTER POINTS

Washington County School District
Springfield, Kentucky

In planning and performing our audit of the financial statements of the Washington County School District for the year ended June 30, 2015 we considered the District's internal controls in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

However, during our audit, we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. We previously reported on the District's internal control in our report dated November 13, 2015. This letter does not affect our report dated November 13, 2015, on the financial statements of the Somerset Independent School District. The conditions observed are as follows:

NORTH WASHINGTON ELEMENTARY

1-15

Statement of Condition: Teachers/sponsors not turning in money collected from students or other sources timely (including athletic events).

Recommendation for Correction: All money collected by a teacher/sponsor shall be turned in to the school treasurer the day the money is collected along with the appropriate supporting documentation.

Management Response to the Recommendation: Money from athletic events is kept in the safe overnight, as events conclude after 9:00 PM. Money is deposited the following work day.

Expectations have been reviewed with staff regarding collection of money from students and the requirement to turn in the day of. Bookkeeper will communicate with Principal when situations arise where teachers are not submitting money the day of receipt from students. Principal will then address the issue verbally and/or in writing with those specific teachers/staff members.

WASHINGTON COUNTY ELEMENTARY

2-15

Statement of Condition: Instances of receipts not being deposited timely.

Recommendation for Correction: All monies should be deposited on a daily basis. In the event that less than \$100 is on hand to deposit, smaller amounts may be held in a secure location until \$100 is collected. At a minimum, deposits shall be made on a weekly basis even if the deposit amount is less than \$100. The total of the deposit slip shall match the total receipts written since the last deposit. Each deposit shall be verified by a second person daily.

Management Response to the Recommendation: We make daily deposits on a regular basis, and make it a priority not leave money in the building over the weekend. We will be diligent in following this in the future. Anytime that there is money in the building, that is turned in to the bookkeeper, it is place in a locked area.

3-15

Statement of Condition: Instances of receipts not written to the individual turning in the money to the school treasurer.

Recommendation for Correction: Receipts shall be written to the individual giving the monies to the school treasurer at the time the monies are received.

Management's Response to the Recommendation: In our Kindergarten classrooms, often times the Instructional Assistant helps collect money from students and then they sign the multiple receipt form. In the past, we have written the receipt to the teacher, in the future, we will write the Instructional Assistant's name on the receipt if that is who signed the multiple receipt form.

WASHINGTON COUNTY MIDDLE SCHOOL

No conditions.

WASHINGTON COUNTY HIGH SCHOOL

4-15

Statement of Condition: Instances of receipts not being deposited timely.

Recommendation for Correction: All monies should be deposited on a daily basis. In the event that less than \$100 is on hand to deposit, smaller amounts may be held in a secure location until \$100 is collected. At a minimum, deposits shall be made on a weekly basis even if the deposit amount is less than \$100. The total of the deposit slip shall match the total receipts written since the last deposit. Each deposit shall be verified by a second person daily.

Management Response to the Recommendation: All deposits will be deposited timely.

5-15

Statement of Condition: Instances of receipts not written to the individual turning in the money to the school treasurer.

Recommendation for Correction: Receipts shall be written to the individual giving the monies to the school treasurer at the time the monies are received.

Management's Response to the Recommendation: Receipts will be written to individual turning in money.

6-15

Statement of Condition: Instances of checks written not having two signatures (22661, 22662, 22663, 22665, 22666, 22667, 22668, 22670, 22671).

Recommendation for Correction: The principal (or appointed designee) and school treasurer should insure all checks written have two signatures; one of which shall be that of the principal (or appointed designee) and the other being the school treasurer. For athletic trips an advance should be processed with the check written to the appropriate sponsor to pay for meals for events that involve students.

Management Response to the Recommendation: WCHS found this error and has ensured no other checks were written without dual signatures.

WASHINGTON COUNTY CHARITABLE GAMING FUND

7-15

Statement of Condition: Instances of receipts not being deposited timely.

Recommendation for Correction: All monies should be deposited on a daily basis. In the event that less than \$100 is on hand to deposit, smaller amounts may be held in a secure location until \$100 is collected. At a minimum, deposits shall be made on a weekly basis even if the deposit amount is less than \$100. The total of the deposit slip shall match the total receipts written since the last deposit. Each deposit shall be verified by a second person daily.

Management Response to the Recommendation: All deposits will be deposited timely.

8-15

Statement of Condition: The Principal is not dating the bank statement after review.

Recommendation for Correction: The Principal should initial and date the front page of the bank statement after a complete review.

Management Response to the Recommendation: The principal will initial the bank statement after review.

We will review the status of these conditions during our next audit engagement. We have already discussed many of these conditions and suggestions with various District personnel, and we will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Condition 4-15 is a repeat condition from the prior year. All other prior year management letter conditions have been implemented and corrected. Mrs. J. Robin Cochran, Superintendent, is the person responsible for initiation of the corrective action plan for the above comments which will be implemented immediately. The corrective action plan is the management response for each condition.

We would like to thank the Finance Officer and their department for their support and assistance during our audit.

This report is intended solely for the information and use of the Board of Education, management, and others within the district and is not intended to be and should not be used by anyone other than these specified parties.

White & Associates, PSC

White & Associates, PSC
Richmond, Kentucky
November 13, 2015